VZCZCXYZ0000 PP RUEHWEB

DE RUEHEG #1206 1640718
ZNY SSSSS ZZH
P 120718Z JUN 08
FM AMEMBASSY CAIRO
TO RUEHC/SECSTATE WASHDC PRIORITY 9534
INFO RUEHTV/AMEMBASSY TEL AVIV PRIORITY 1717
RUEHAM/AMEMBASSY AMMAN PRIORITY 1934
RUEHJM/AMCONSUL JERUSALEM PRIORITY 1027

S E C R E T CAIRO 001206

SIPDIS

E.O. 12958: DECL: 06/11/2018 TAGS: <u>PREL PGOV KPAL IS EG</u>

SUBJECT: EGYPTIAN MFA AND ARAB LEAGUE VIEWS ON

INTRA-PALESTINIAN DIALOGUE

REF: JERUSALEM 987

Classified By: Deputy Chief of Mission Stuart Jones Reasons: 1.4 (B) and (D)

- 11. (S) Summary. MFA Senior Cabinet Advisor Hossam Zaki told DCM June 11 that the GOE is in no hurry to advance intra-Palestinian dialogue, and recognizes the potential damage it could cause Israeli-Palestinian negotiations. PA President Abbas told President Mubarak June 9 that he does not want to open a channel to Hamas but is under enormous pressure from Fatah supporters to do so. Zaki discounted the Arab League's plan to advance Palestinian reconciliation, and said that President Mubarak had told Arab League SYG Moussa that now is not the time to press ahead. End summary.
- 12. (S) Zaki briefed DCM on the June 9 Mubarak-Abbas meeting. Abbas had explained to Mubarak that his recent public comments calling for dialogue with Hamas were intended to allay mounting internal Fatah pressure to address Hamas' growing strength, and fears within Fatah that the Israeli-Palestinian negotiations will fail. Zaki assessed that Abbas is more open to the idea of Palestinian reconciliation than previously, but is not yet ready to actively move toward such a dialogue.
- 13. (S) He outlined the Egyptian position that while intra-Palestinian reconciliation is a critical goal, proceeding now would undermine current talks with the Israelis. This, in turn, could aggravate conditions in Gaza. Zaki said that Egypt remains relatively pessimistic about prospects for an Israeli-Palestinian agreement, but recognized that "some within the Israeli leadership are The GOE is firmly convinced that the serious about peace." Secretary is fully engaged and dedicated. Zaki said that the Egyptians have therefore concluded that now is not the time to risk progress. He said that in August or September the Palestinians will know for certain if there will be any kind of deal during the Bush Administration. "If by September there is no progress on the Israeli-Palestinian talks then we would support doing what is necessary to address the internal Palestinian divisions." Zaki said that if and when reconciliation got underway, Cairo would be the likely venue for the talks.
- 14. (C) Earlier on June 11, we had talked with Arab League COS Hisham Yousef regarding media reports that the AL would facilitate intra-Palestinian dialogue (reftel). Yousef said that both Abbas and Hamas, Haniyeh agree that the dialogue should be under the AL "umbrella." He told us that he had talked to Abbas in Cairo June 9 (SYG Moussa was on travel at the time), and that Abbas had agreed that the Arab League would help to facilitate intra-Palestinian dialogue. Moussa and Abbas will meet in Jordan on June 17th in order to "discuss options," according to Yousef. He said that the Arab League would base their efforts on previous resolutions from ministerials, which include support for the "Yemeni

initiative," and that the Arab League position is that the situation should return to the status quo ante prior to the June 2007 Hamas takeover of Gaza.

- 15. (S) In contrast, however, Zaki dismissed the prospect of an Arab League led process. He assessed that the Qataris and Arab League were pumped up by their triumph in Doha and want to replicate it. But President Mubarak had told SYG Moussa that the Egyptian preference was not to move quickly on intra-Palestinian dialogue. (In a separate conversation, MFA Cabinet Advisor for Israel-Palestinian Affairs Ahmed Hafez told us bluntly that the Arab League's idea of advancing dialogue was "premature.") Zaki said the GOE strategy now is to "control the tempo" of the push for intra-Palestinian dialogue.
- 16. (C) At the end of the conversation, Zaki reiterated the Egyptian plea for us to discourage an Israeli incursion into Gaza. This, he said, would "hurt everyone except Hamas. It will hurt Abbas, the Israelis, the American-led peace efforts, and we would face another encroachment into Northern Sinai."

 SCOBEY